

Chapter ~~5~~ 6 Housing

A. Housing Supply

The decennial censuses, conducted by the federal government, give us a very complete look at the housing supply within Stayton and allow comparison of changes over time. From these sources of information we can confirm that Stayton residents primarily live in fairly new single family dwellings which we own ourselves. Whereas the most recent available decennial Census data is from 2000, an estimate of current conditions has been included below, based on other sources of data such as building permit, tax assessment records, and the City's Geographic Information System.

The 2000 Census counted a total of 2,668 housing units in Stayton – an increase of 673 units from the 1990 Census count of 1,995. Of these, the Census Bureau classified only 11 as seasonal, recreational or held for occasional use. Of the 2,657 year-round housing units, 2,530 were occupied at the time of the Census. There were 77 vacant housing units available for rent and 21 vacant homes for sale, for a total vacancy rate of 3.7%.

In 1990 there were 727 housing units occupied by renters. By 2000, that had increased to 1,048, nearly doubling. Owner-occupied units accounted for 61% of the occupied housing in 1990 and had decreased to 58% in 2000. In Marion County, 63% of the housing units were owner-occupied in 2000 and in Oregon 64%.

Though not as accurate as the decennial censuses, the US Census Bureau has initiated an annual survey of a sample of the population during the past decade. Based on an average of the sampling between 2005 and 2009, the percentage of owner occupied homes is now estimated to have decreased to 51.4%. It should be noted that because of the small size of Stayton and the sample size, the Census Bureau's recent estimates have a large margin of error.

Table 6-1 shows changes in occupancy by tenure over time.

Table 6-1. Housing Occupancy by Tenure, 1990-2009

	Total Occupied	Owner occupied	Renter occupied
1990	1,862	1,136 61.0%	727 39.0%
2000	2,530	1,482 58.6%	1,048 41.4%
2005-09	2,788	1,432 51.4%	1,356 48.6%

Source: US Census Bureau

Between January 1, 2000 and June 30, 2010, building permits for an estimated 350 housing units have been issued. The Census Bureau's most recent estimate of the total number of housing units in Stayton is 2,870, which is in line with permits issued.

Housing Types

Table 6-2 presents information on the types of housing in Stayton as reported by the 1990 Census, the 2000 Census, and as estimated by the Planning Department for 2010. Single family attached units and duplexes are combined because of the Census is self-enumerated and the resident of one side of duplex may say they live in one type of unit and the resident of the other may report a different type of unit.

The Census reports the distribution of the housing units by the number of bedrooms. Reflecting the relatively high proportion of rental occupancy and multi-family units, 45% of all housing units have two or fewer bedrooms.

Table 6-2. Distribution and Growth of Housing Types, 1990-2010

Housing Type	1990	2000	2010	1990-2000			2000-2010		
				Change	% of Change	% of New Units	Change	% of Change	% of New Units
Sing Fam Det	1,230 (64%)	1,563 (58%)	1,930 (63%)	333	27%	44%	367	23%	95%
Sing Fam Att & Dup	192 (10%)	333 (12%)	371 (12%)	141	73%	19%	38	11%	10%
Multifamily	374 (20%)	596 (22%)	607 (20%)	222	59%	29%	11	2%	3%
Mobile home	119 (6%)	176 (7%)	148 (5%)	57	48%	8%	-28	-16%	-7%
Total	1,915	2,668	3,056	753	39%	100%	388	15%	100%

Source: 1990 & 2000: US Census Bureau, 2010: Planning Dept

The mix of housing types has changed little in the past 20 years. The percentage of the housing stock that is single family detached homes decreased from 1990 to 2000, but represented almost all of the new homes between 2000 and 2010. The percentage of single family detached is now the same as it was in 1990. There number of manufactured housing units appears to have decreased during the past decade. If the trend of the past decade continues, the city can expect the percentage of single family to continue to increase.

Age and Condition of Housing

As can be expected in a community that has seen relatively rapid growth in recent decades, the housing supply in Stayton is relatively new. According to the 2000 Census, less than 300 housing units were built before 1950. Table 6-3 presents the age of housing units in Stayton as reported in the Census.

Table 6-3. Year Housing Built, Occupied Housing Units, 2000

	Total		Owner occupied		Renter occupied	
Built 1990 to March 2000	757	30%	394	27%	363	35%
Built 1980 to 1989	313	12%	139	9%	174	17%
Built 1970 to 1979	590	23%	364	25%	226	22%
Built 1960 to 1969	376	15%	228	15%	148	14%
Built 1950 to 1959	232	9%	190	13%	42	4%
Built 1940 to 1949	61	2%	55	4%	6	1%
Built 1939 or earlier	201	8%	112	8%	89	8%

Source: Census 2000

The Planning Department estimates that 384 housing units were built between March 2000 and 2010. There is no information available regarding the mix of renter- or owner-occupied units for these most recently constructed homes. However, with the largest portion being single family detached homes, it is likely there is high percentage of owner-occupied units.

With a relatively new housing stock there should not be significant housing quality issues. The Census reported only 18 occupied housing units without complete bathrooms and none without complete kitchens. While general upkeep and appearance is an issue in many of the City's neighborhoods, there are not obvious signs of substandard housing. Since 2003 the City has had a housing rehabilitation program in which low interest loans are available to income qualifying homeowners. Sixteen homeowners have been assisted with repair and maintenance items through this program.

Valley Development Initiatives is a cooperative effort among cities in Marion County, Marion County, and the Mid-Willamette Valley Council of Governments to manage the various housing

rehabilitation programs throughout the region. Like Stayton's the individual programs are small enough that hiring the qualified staff to run them is not economical. By joining together as the VDI, a program manager has been hired to assist with the administration of the individual programs.

The City does not have a Housing Code that covers minimum requirements for heat, water and sanitation beyond the state specialty building codes, nor are there other general property maintenance requirements to assure that residents are in safe and healthful conditions.

B. Housing Costs

Nearly everyone today is aware of the rapid escalation in housing costs in the Willamette Valley during the past 20 years. There was rapid growth in housing costs in the mid-1980s. After a period of stability or even cost decreases during the recession of the early 1990s, prices again were inflating during the early 2000s. With the development of the Great Recession of 2007, housing prices stopped their growth and declined. The discussion of housing costs can be divided between ownership costs and rental costs.

Purchase Costs

Quantifying the change in housing prices and its impacts is not an easy task. The decennial Census contains extensive detail on housing costs, but due to the nature of the information collection system, may contain inaccuracies. The census data is based on figures reported by the homeowner. A homeowner's opinion of the value of their house may not be an accurate reflection of market conditions. In addition, the latest Census information available on Stayton is now ten years old.

The median value of an owner occupied "specified" single family house in 1990 was \$57,200. The 2000 census reported that value had increased to \$129,400, more than doubling. The Census Bureau uses the term "specified" unit to mean single family homes that are not mobile homes, are located on ten acres of land or less, and contain no business use such as an office or shop. Half of the specified single family homes in 2000 had an estimated value of between \$107,500 and \$166,500.

The Marion County Assessors Office makes available information on the sale of all property within the County. Extracting the sales of property in the City of Stayton and then analyzing those data to exclude foreclosures, transfers between family members and other transactions that were not "arms-length" sales results in a median sales price of a single family home in 2000 of \$132,625, not significantly different than the median reported by the Census. Table 6-4 presents sales data for single

Table 6-4. Single Family Home Sales Prices, 2000-2010

All homes	2000	2005	2006	2007	2008	2009	2010
# of sales	114	177	167	137	73	56	59
1st quartile	112,000	138,500	161,150	174,000	160,500	168,000	157,500
mean	134,436	170,617	202,955	222,563	218,461	206,538	203,049
median	132,625	162,500	194,000	209,500	186,000	195,200	195,000
3rd quartile	149,975	192,833	231,750	265,000	250,000	230,000	234,950
Homes < 4 yrs old							
# of sales	33	43	39	18	14	4	2
1st quartile	139,900	134,125	197,500	292,500	242,750	309,250	
mean	155,700	182,526	245,210	294,887	330,006	327,688	244,500
median	147,500	186,000	232,500	327,000	300,000	330,375	
3rd quartile	159,400	217,400	269,950	348,675	454,975	348,813	
% of all homes	29%	24%	23%	13%	19%	7%	3%

Source: Marion County Assessors Office

family homes for 2000 and the years 2005-2010. The 2010 data cover through late December, but not the entire year. The missing week or ten days of sales should not have a statistical impact on the results of the analysis.

Since 2000, housing prices climbed, peaking in 2007 with the onset of the recession. The median sales price increased from \$132,625 in 2000 to \$209,500 in 2007. It then declined in 2008 and has risen modestly the past two years. Since 2000, the median price of homes in Stayton has increased 47%.

As can be expected, newer houses generally have a higher price than older homes. In Stayton, this difference in price has become more pronounced in recent years. While the median price of all homes has declined since 2007, the median price of newer homes has continued to increase. The median priced newer home in 2009 was more than 50% the price of all homes sold. This is in part due to the increasing size of home built in Stayton. Of the homes sold in 2009, the average size of those built in 2005 and later was 2,570 square feet. The average size of all homes sold in 2009 was 1,674 square feet.

With the onset of the recession, the construction industry has been hard hit. New homes, those less than four years old, have made up a declining percentage of houses sold. The number of homes sold has declined since 2005. With the collapse of the construction industry, the percentage of homes sold that are 3 years old or less has declined from 24% in 2005 to only 3% in 2010.

Rental Costs

There is not a central location for information on rental prices, as there is for purchase prices. The decennial census reports data on rents. As reported in the 2000 Census, there were 1,016 housing units reported with cash rent. Table 6-5 presents information on the number of units within categories of rent. The median cash rent reported by the Census was \$448 per month, with the cash rent for half of the units between \$378 and \$544.

Table 6-5. Housing Units by Cash Rent, 2000

<u>Rent</u>	<u>No. of Units</u>
<u>Less than \$250</u>	<u>135</u>
<u>\$250 to \$349</u>	<u>71</u>
<u>\$350 to \$499</u>	<u>437</u>
<u>\$500 to \$649</u>	<u>229</u>
<u>\$650 to \$799</u>	<u>113</u>
<u>\$800 to \$999</u>	<u>27</u>
<u>\$1,000 or more</u>	<u>4</u>

Source: Census 2000

As the cost of purchasing a house has increased since 2000, so has the cost of rental housing. The 2005-2009 estimates from the Census Bureau report that the median cash rent in Stayton has increased to \$590. A review of ads in the local newspaper and on the internet for rental housing in January 2011 revealed a range of \$475 for a one-bedroom unit to \$995 for a three bedroom unit. The majority of the rental housing in Stayton consists of 2 bedroom units (537 of the 1,016 units in 2000). Advertised rents for 2-bedroom units ranged between \$495 and \$575, with a median rent of \$525.

A considerable amount of housing in the City of Stayton has been built with government assistance. The most common type of government assistance is a subsidized mortgage through various state and federal programs, although figures are not available for the number of houses in Stayton financed through these programs. Government assisted housing is also provided through subsidies for

apartments for low and moderate income people. There are 199 dwelling units in seven different developments that provide apartments reserved for income-qualified households. This represents 6.5% of the total housing stock, 20% of the rental units and an estimated 34% of the multifamily units in the City. Table 6-6 lists these units, their location and whether they are for families or restricted to occupancy by elderly tenants. ~~The amount of government assisted housing in Stayton is consistent with the “fair share” allocation in the “Regional Housing Element” (MWVCO, 1978:107). (Ord. 857, Feb. 2004)~~

Table 6-6. Government Subsidized Housing Developments

Name	Location	# of Units	Type
Hollister Apartments	315 W Hollister St	20	family
Northridge Apartments	1633 N. 3rd Ave	24	family
Oak Park Village	1011-1087 N. 10th Ave	32	elderly
Stayton Elder Manor	660 N Ida St	32	elderly
Stayton Manor	820 N 3rd Ave	16	elderly
Westside Apartments	965 Gardner Ave	24	family
Wolf Ridge	1301-1371 E Santiam St	51	family

Source: Oregon Dept of Housing and Community Services

In addition to housing built under governmental assistance programs, there is an active effort by local nonprofit organizations to make affordable housing available to those in need. Habitat for Humanity of the Mid-Willamette Valley has worked with families to provide affordable housing. Homes are built with a significant contribution of donated labor and materials and with the involvement of the home owner. In exchange for the subsidized purchase cost of the home, the home owner must agree to give Habitat the right of first refusal to repurchase the home. Habitat has constructed four homes in Stayton.

C. Housing ~~Types Available~~ Affordability

Standards for housing affordability generally state that a household should not be spending more than 30% of its income on housing costs. These costs include mortgage, taxes and utilities for ownership, and rent and utilities for rental. The 2000 Census reported that 24% of households in “specified owner-occupied” housing units paid more than 30% of their income for housing costs. In households that reported 1999 household incomes of less than \$50,000, 37% were paying more than 30% of their income for housing and one third were paying more than 35%. Table 6-7 presents the 2000 Census data on household income and housing costs as a percentage of household income. The Census further reported that 40% of the households in which the householder was 25-34 years old were paying more than 30% of their income for housing and 37% of households where the householder was 35-44 years old.

Table 6-7. Percent of 1999 Income used for Housing Costs by Household Income, Homeownership

	Less than \$10,000	\$10,000 to \$19,999	\$20,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more
Less than 20 percent	10	17	134	58	182	115	145
20 to 24 percent	0	24	18	30	48	20	4
25 to 29 percent	0	9	21	60	44	14	4
30 to 34 percent	0	8	8	21	43	0	0
35 percent or more	26	82	51	49	24	0	0
% 30% or more	58%	64%	25%	32%	20%	0%	0%

Source: Census 2000

Similarly, the 2000 Census reported that 45% of renting households paid more than 30% of their income for rent. Almost one of every five renting households was paying more than half of their income for rent. In households that reported 1999 household incomes of less than \$50,000, 51% were paying more than 30% of their income for housing and 40% were paying more than 35%. Table 6-8 presents the 2000 Census data on household income and rent as a percentage of household income. More than 60% of households in which the householder was 65 years or older were paying more than 30% of the income in rent. A similar, but slightly smaller, percentage of households with householders younger than 25 were in the same financial position.

Table 6-8. Percent of 1999 Income used for Rent by Household Income

	Less than \$10,000	\$10,000 to \$19,999	\$20,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more
Less than 20 percent	14	8	14	117	96	5	13
20 to 24 percent	20	11	109	25	12	0	0
25 to 29 percent	8	10	78	14	0	0	0
30 to 34 percent	17	53	29	0	0	0	0
35 percent or more	142	161	44	0	0	0	0
% 30% or more	79%	88%	27%	0%	0%	0%	0%

Source: Census 2000

The median priced single family home in Stayton in 2010 was \$195,000. Assuming a 10% down payment, a 30-year mortgage at 5%, and an assessed valuation of \$160,000, a family would need an income of at least \$53,700 to be paying no more than 30% of their income for housing. The Census Bureau estimates the median household income in Stayton as \$40,100 (in 2009 dollars). A household with the median income for the city could afford a house priced at \$155,000. The median priced house was 1.25 times the price a household with the median income could afford.

D. Housing Needs Projection

~~A diverse mix of housing types needed to promote affordable housing exists within the City of Stayton and continued diversity is planned. The City of Stayton, after considerable public input and debate, decided in 1979 that multi-family housing should be distributed throughout the community as well as be located in and near the commercial core of the city. The residential land use designations and zones within the City of Stayton allow housing types that include single-family dwellings, duplexes, manufactured homes and apartments. All of these housing types are available at a range of price and rent levels. As discussed below in the housing needs projection, the comprehensive plan provides for a wider diversity of housing types in the future. (Ord. 857, Feb. 2004)~~

~~The needed housing within the Stayton urban-growth boundary is estimated to the year 2020-2030 is estimated in Table LU-56-10, based upon the projected population in Chapter 2 of the Plan and the detailed information provided in Marion County's coordinated population projections. Table 6-9 presents a summary of the data from the County population projection that shows the projected population and projected housing units through 2030, of 10,698 to 11,678. Several assumptions were made about the number of persons per housing unit, the vacancy rate, and housing densities. Overall, the assumptions reflect a continuation of recent trends. (Ord.884, Oct. 2005)~~

Table 6-9. Population and Housing Projections to 2030

		# Avg	% Avg			# Avg	% Avg		
		Ann Pop	Ann Pop		Housing	Ann Hsg	Ann Hsg	Occpcy	Hshld
	Population	Growth	Growth	Households	Units	Growth	Growth	Rate	Size
2000	6,829	180	3.1%	2,523	2,658	74	3.2%	94.9%	2.71
2005	7,505	135	1.9%	2,776	2,922	53	1.9%	95.0%	2.70
2010	8,171	133	1.7%	2,973	3,129	41	1.4%	95.0%	2.75
2015	8,938	153	1.8%	3,256	3,404	55	1.7%	95.7%	2.74
2020	9,777	168	1.8%	3,566	3,727	65	1.8%	95.7%	2.74
2025	10,538	152	1.5%	3,846	4,021	59	1.5%	95.7%	2.74
2030	11,359	164	1.5%	4,149	4,337	63	1.5%	95.7%	2.74

Source: Marion County

The housing needs projection in Table 6-10 LU-5 presents existing units, units needed by 2020, and units to be built, and net acres needed for four housing types by density. The single-family dwelling category is provided for the Low Density (LD) and Medium Density (MD). Based on existing conditions, eighty-five percent of new single family dwellings are expected to locate in the LD zone, while the remaining fifteen percent are expected to located in MD zones. The duplex and manufactured home categories correspond to the uses allowed outright in the Medium Density (MD) zone. Four plexes and larger apartments are outright uses in the High Density (HD) zone. (Ord. 884, Oct. 2005)

The number of units needed is based upon existing conditions of 60.4 percent an assumption that by 2030 the percentage of single family dwellings will have increased from 63% to 65% and 39.6 percent multiple family dwellings and mobile homes will have decreased to 32% and 3% respectively. The number of "Additional Units Needed" in Table LU-5-10 is the difference between needed and existing units. This information will be used in Chapter 8 in determining the needed acreage that should be included in each of the residential zones.

(Ord. 857, Feb. 2004) (Ord. 884, Oct. 2005)

The projection of acres needed is based upon the anticipated number of housing units per acre for the LD, MD and HD zones. The density goals in Table LU-5 are taken from the densities required by Stayton Municipal Code Chapter 17. There is adequate area designated for low and medium density housing as can be seen by comparing Table LU-5 with Tables LU-2 and LU-3. (Ord. 857, Feb. 2004) (Ord. 884, Oct. 2005)

Table LU-5-10; Housing Needs Projection, City of Stayton (Ord. 884, Oct. 2005)

Housing Type	Existing Units	Units Needed by 2020/2030	Additional Units Needed	Density Goal	Land Needed in Acres for Density Goal
Single-Family detached (LD)	1,483/1,930	2,092/2,819	609/889	4.8	126.8
Single-Family detached (MD) attached and duplexes	295/371	402/564	107/193	6.2	17.3
Multi-family plexes (MD and LD)	668/607	942/781	274/174	12.4	22.1
Apartment (HD) Mobile Homes	477/148	673/173	196/25	13.0	15.1
Total	2,923/3,056	4,109/4,337	1,186/1,281	6.5	181.3

Housing Policies

Statewide Planning Goal: To provide for the housing needs of citizens of the state.

Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.

Stayton City Goals and Policies

GOAL EXISTING AND FUTURE RESIDENTS WILL BE PROVIDED A CHOICE OF HOUSING TYPES AND IN SAFE AND HEALTHFUL HOUSING

Policy HO-1 It is the Policy of the City to encourage development of housing that meets the needs of all income groups of existing and future residents.

ACTION The City shall assure that adequate supply of land in all residential zones is available for development within the city.

ACTION The City shall amend the Land Use Code to provide a density bonus incentive in master planned developments for the inclusion of affordable housing units.

ACTION The City shall continue to allow manufactured homes on individual lots with design standards similar to those for site-built housing.

ACTION The City shall continue to allow mobile home parks in the medium Density and High Density Residential Zones.

Policy HO-2 It is the Policy of the City to assure that all occupied housing units are safe, decent, and suitable for healthful habitation.

ACTION The City shall enforce existing standards for health and safety in housing.

ACTION The City shall enact additional standards to assure the health and safety of residents, as appropriate.

Policy HO-3 It is the Policy of the City to allow the use of flexible lot sizes and building placement, and density transfers to reduce development costs, make efficient use of land, and promote housing variety and affordability.

ACTION The City shall continue to allow master planned developments in all residential districts.

ACTION The City shall continue to allow residential and mixed use developments in the downtown area and mixed use developments in the commercial zones.

Policy LUHO-104 It is the Policy of the City to encourage the maintenance, conservation and enhancement of existing residential areas and housing stock through the use

of State and federal programs to improve housing affordability and rehabilitate substandard housing are encouraged.

ACTION The City shall continue to participate in the Valley Development Initiatives cooperative effort for the management of its housing rehabilitation program.

ACTION The City shall pursue applications for additional funding for housing rehabilitation and neighborhood stabilization efforts.

ACTION The City shall work cooperatively with local non-profit organizations to enable the construction of new affordable housing.

GOAL NEW RESIDENTIAL DEVELOPMENTS WILL BE DESIGNED AND BUILT TO BECOME ATTRACTIVE NEIGHBORHOODS

Policy HO-5 It is the Policy of the City to encourage design that de-emphasizes garages and storage buildings.

ACTION The City shall amend the Land Use Code to include the following design elements: locate garages behind the primary building line of the house; side-loading garages, or garages in the rear with alley access; provision for front porches; primary orientation toward the street and sidewalk; provisions for street trees.

ACTION The City shall continue to require design review approval for all multi-family developments and manufactured home parks.

Policy HO-6 It is the Policy of the City to encourage the use of sustainable development practices in residential site planning, building materials, and environmental control systems, including use of active and passive solar energy, energy efficient designs, and low water use landscaping.

ACTION The City shall amend the Land Use Code to protect solar energy systems from shade.

ACTION The City shall continue to encourage the use of underground irrigation and native vegetation in landscaping.